Staff Memorandum

To	Mayor A. Nuttall and Members of Council
Subject	67 Owen Street – Section 27 Agreement
Date	January 21, 2026
Ward	2
From	C. Smith, Interim Director of Finance
Executive Member Approval	J. Schmidt, General Manager of Community and Corporate Services
CAO Approval	M. Prowse, Chief Administrative Officer

The purpose of this Memorandum is to provide members of Council with an update regarding the Section 27 Agreement for the deferral of Development Charges with respect to the development at 67 Owen Street.

At its meeting held May 29, 2024, Finance and Responsible Governance Committee passed the following Motion:

1. That staff enter into a Section 27 agreement with the Junction Group on behalf of their client Traditions Senior Housing (the Developer) to defer the portion of development charges related to the proposed rental units (excluding the owned units) for a period of three years, or occupancy whichever is sooner, contingent on the developer applying for building permits within 120 days of this agreement.

2. That staff shall set the specified date in the Section 27 Agreement with rates to be calculated as of July 21, 2021, plus indexing;

3. That the frozen development charges expire on May 15, 2025, being 2 years following the date the application was approved and conditions were issued and nearly 4 years after the original application was made;

4. That for the term of the deferral the Developer shall pay interest to the City on the deferred amount at a rate of 50% of the City's 5 year moving average weighted cost of capital; and

5. That the Section 27 Agreement be executed no later than January 15, 2025, to give the developer 120 days to apply for building permits as noted in paragraph 1 of the motion.

Conclusion

Although the deadline to execute the Agreement had passed, it was determined to be in the City's best interests and consistent with Council's intent to increase housing supply to allow the development to proceed under the previously established terms and conditions. The Agreement was fully executed on November 12, 2025.

Appendix:

Not applicable

Memo Author:

Craig Gillespie, Senior Manager Corporate Finance and Investments

File #:

C11

Pending # (if applicable):

Not applicable